

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1709-04
Bill No.: Truly Agreed To and Finally Passed HCS for SB 325
Subject: Boards, Commissions, Committees, Councils; Employees - Employers; Licenses - Professional
Type: Original
Date: June 6, 2011

Bill Summary: Requires boards, commissions, committees, councils or offices to notify a licensee's employer of a change in the licensee's licensure status.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Board of Nursing Fund	\$0 to (\$1,000,000)	\$0 to (\$1,000,000)	\$0 to (\$1,000,000)
College & University Funds	\$0	\$0	\$0
Board of Embalmers and Funeral Directors	\$9,667	\$9,849	\$10,035
Total Estimated Net Effect on <u>Other</u> State Funds	\$9,667 to (\$990,333)	\$9,849 to (\$990,151)	\$10,035 to (\$989,965)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

HWC:LR:OD

ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Elementary and Secondary Education, Department of Health and Senior Services, Department of Public Safety - Missouri State Highway Patrol, Missouri Consolidated Health Care Plan, Department of Mental Health, Department of Corrections, Office of State Treasurer, Parkway School District, Missouri State University, University of Central Missouri, University of Missouri, and Northwest Missouri State University** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Department of Higher Education (DHE)** state the provisions in SB 325 would establish the Nurse Training Incentive Program within the DHE. It is anticipated that the program could be administered with existing resources and would, therefore, have no direct, foreseeable fiscal impact on the DHE.

Officials from the **Department of Social Services (DSS)** state the department employs staff in certain professions, including social workers, teachers, and attorneys. This proposal gives employers the option of providing a list of currently licensed employees to the appropriate licensing authority. The DSS assumes that any such exchange of information would take place between the Office of Administration, Division of Personnel and the Division of Professional Registration within the Department of Insurance, Financial Institutions, and Professional Registration. If DSS were notified that any of its employees were disciplined and had their licenses revoked, the Human Resources Center would handle the situation in line with current policy and procedures.

This proposal also contains references to various licensed professions, including dentists, veterinarians, funeral directors, embalmers, pharmacists, real estate brokers, engineers, land surveyors, and nurses. None of these licensing provisions are directly applicable to the DSS. Therefore, the DSS assumes the provisions of the proposal will have no fiscal impact.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the costs of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

ASSUMPTION (continued)

HWC:LR:OD

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration (DIFP)** state based on the five (5) year budget projections of the State Board of Nursing, the department anticipates that up to one million dollars will be spent per year to fund this program. These costs have been included in the TAFP'd CCS SCS HCS HB 3 FY 12 budget request, section 3.154.

In addition, this legislation decreases the Board of Embalmers and Funeral Directors by four (4) board members. With the decrease of these members, the board will incur decreased personal service and expense and equipment costs. The cost savings estimates for the implementation of this legislation are estimated to be \$9,667 for FY 12; \$9,849 for FY 13; and \$10,035 for FY 14.

Oversight assumes the Board of Nursing Fund will provide the funding of the grants to the Colleges and Universities. This proposal states that the grants are subject to appropriation but does not state a cap for the program. The FY 2012 budget submitted by the Board of Nursing shows a recommendation of \$1,000,000 for the program. The budget adopted by the Legislature has the \$1,000,000 for the program. However, at this time, the budget is not been signed by the Governor, so **Oversight** is showing the potential cost of this program as \$0 to \$1,000,000.

Oversight assumes that all money received by the Colleges and Universities will be spent according to the requirements outlined in this proposal. **Oversight** is showing the College and University Funds as netting to zero.

No other local governments or colleges and universities responded to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2012	FY 2013	FY 2014
BOARD OF NURSING FUND			
<u>Transfer Out-</u> Board of Nursing Fund			
Nursing Training Incentive Program grants to colleges	<u>\$0 to</u> <u>(\$1,000,000)</u>	<u>\$0 to</u> <u>(\$1,000,000)</u>	<u>\$0 to</u> <u>(\$1,000,000)</u>
ESTIMATED NET EFFECT ON BOARD OF NURSING FUND	<u>\$0 to</u> <u>(\$1,000,000)</u>	<u>\$0 to</u> <u>(\$1,000,000)</u>	<u>\$0 to</u> <u>(\$1,000,000)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2012	FY 2013	FY 2014
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COLLEGE & UNIVERSITY FUNDS

<u>Transfer In- College & University Funds</u>	\$0 to\$1,000,000	\$0 to\$1,000,000	\$0 to\$1,000,000
Nursing Training Incentive grants			

Cost - College & University Funds

Expenditure of the grant as outlined in the proposal	\$0 to (\$1,000,000)	\$0 to (\$1,000,000)	\$0 to (\$1,000,000)
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**ESTIMATED NET EFFECT ON
COLLEGE & UNIVERSITY FUNDS**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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**BOARD OF EMBALMERS AND
FUNERAL DIRECTORS FUND**

Savings - DIFP

Reduction in per diem costs	\$2,400	\$2,400	\$2,400
Reduction in board meeting costs, equipment and expenses	\$7,267	\$7,449	\$7,635
Total <u>Savings</u> - DIFP	<u>\$9,667</u>	<u>\$9,849</u>	<u>\$10,035</u>

**ESTIMATED NET EFFECT ON
BOARD OF EMBALMERS AND
FUNERAL DIRECTORS FUND**

<u>\$9,667</u>	<u>\$9,849</u>	<u>\$10,035</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2012	FY 2013	FY 2014
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

The proposal may impact small businesses that employ licensed professionals if they receive notification of a change in the licensee's licensure status and have to make adjustments/changes due to the licensure status change. (§324.014)

The proposal may have a minimal administrative fiscal impact on small business veterinarians. (§§338.010 - 338.240, 338.315 and 338.330)

FISCAL IMPACT - Small Business

The proposal may impact small business real estate licensees as they may be have greater immunity from statements made by certain experts. (§339.190)

The proposal may impact small business architects and engineers. (§§429.015 and 516.098)

FISCAL DESCRIPTION

The proposal changes the requirements for membership on the board of embalmers and funeral directors, reduces the number of members on the board from ten to six members, and allows a majority of the members of the board to constitute a quorum at meetings.

This proposal establishes the Nursing Training Incentive Program within the Department of Higher Education to address nursing shortages and repeals an obsolete incentive grant program which focused on nontraditional nursing students. The Board of Nursing within the Division of Professional Regulation in the Department of Insurance, Financial Institutions and Professional Registration is authorized to provide funding for the program; and subject to appropriation, the Department of Higher Education will award grants to eligible higher education institutions based on criteria to be determined by the board and the Department of Higher Education. An eligible institution must offer a nursing program that meets the category and area of need as determined by the board and the Department of Higher Education based on data from sources specified in the proposal.

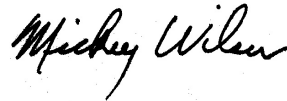
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Courts Administrator
Department of Elementary and Secondary Education
Department of Higher Education
Department of Insurance, Financial Institutions, and Professional Registration
Department of Mental Health
Department of Corrections
Department of Health and Senior Services
Department of Social Services
Department of Public Safety -
 Missouri State Highway Patrol
Missouri Consolidated Health Care Plan
Office of Secretary of State
Office of State Treasurer

SOURCES OF INFORMATION (continued)

Parkway School District
Missouri State University
University of Central Missouri
University of Missouri
Northwest Missouri State University

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
June 6, 2011